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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER	
LE, KHANH H	

ART UNIT	PAPER NUMBER
3622	

DATE MAILED: 12/06/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/849,495	KHOO ET AL.	
	Examiner	Art Unit	
	Khanh H. Le	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *14 September 2005*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *28-32,34-47 and 50-62* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *28-32, 34-47 and 50-62* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date *9/14/2005*.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

Detailed Action

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 9/14/2005 has been entered.

Claims 28-32, 34-47 and 50-62 are pending in the current application. Claims 28, 40, and 45-47 are independent. All amended claims and the new claims 50-62 have been entered.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

3. Claims 47, 50, and 55-58 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

As to claim 47, the Examiner is unable to find support for the limitation of 'providing content and advertising.." then" with a first option *to delete* (emphasis added) the advertising" . The claim reads as if content was provided together with advertising, with the latter being

deleted from the combination of content and advertising, upon selection of the first option. However no support could found for the deletion step. At best Specifications at page 17 lines 19-22 then at page 19, lines 1-3 may support providing a content with ad, and a content without ads, both already downloaded to the user client awaiting selection of the compensation option, to be played immediately, per the selection, but no deletion of ads from a content with ad combination, is disclosed. Appropriate correction is required.

3. Claims 50, 55-58 suffer from the same defect as previously rejected claim 46.

I t was stated earlier : "*As to claim 46, "wherein the choice compensation is based on the supply and demand per user based on the viewing habit and/or demography of the user " is not supported by the specifications. The Specifications at pages 12-13 only state "In one embodiment, the choice compensation is based on the supply and demand per user depending on the demographics the user. " No other combination of the several embodiments is provided to support claim 46 as drafted. Thus there is no support for "wherein the choice compensation is based on the supply and demand per user based on the viewing habit (underline added) .. of the user". Original claim 34, which is not part of the original application, contrary to argument, does not provide support for this claim either. "*

Claims 50, 55-58 now claim the same language "wherein the choice compensation is based on the supply and demand of the content per user based on... the viewing habits (underline added) .. of the user". For prior art purposes, claims 50, 55-58 are interpreted as "wherein the choice compensation is based on the supply and demand of the content per user based on the demography of the user" only.

4. The previous rejection of Claim 46 under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement is withdrawn following its amendment.

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. The previous rejections of claims 28-39, 40-44, 45-47 are rejected under 35 U.S.C. 112, second paragraph, are withdrawn.

6. Claim 34, and 51-54 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 34 and 51-54:

It is not clear, in view of the series of alternative terms ("or"'s) used, if an "or" is intended in front of "rating " in the phrase "...the choice compensation is determined based on the viewing habit; rating of the content; or demography of the user; or... " . It is interpreted that an "or" is intended before "rating". Appropriate correction is required.

Response to Arguments

7. The same references are used and the previous rejections modified to reflect the amended claims.

Claim Rejections - 35 USC § 102

8a. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

8b. Claims 47 and 62 are rejected under 35 U.S.C. 102(b) as being anticipated by Logan (U.S. 5721827).

Claim 47 seems to claim a feature which "starts with a content provider providing both content and advertising to a user" and offering 2 choices: to delete the advertisement for a fee or to receive the content with the advertising and not pay the increased fee, which is equivalent to paying a lower fee. "

As noted in the last Office Action, not paying the increased fee is equivalent to paying a lower fee, as done in Logan.

Further, as noted in the last Office Action:
Logan presents 2 choices as well. Content without ads or content with ads added? (SeeLogan, col.7, lines 60-65, col. 9, lines 5-11, col. 9, line 57 to col. 10, line 5, col. 11, lines 38-43, and col. 21, lines 44-47.) In Logan there is a price for content without ads. Then another lower price is charged when the option of content with ads added is chosen. Claim 47 does the same thing.

It seems that Applicants claim that the novelty between claim 47 and Logan resides in Logan charging (a positive step) the lower price from an initial base price for the content when the "with ad content" option is chosen, whereas claim 47 has the lower price already built-in to the "with ad content" option.

If that is the difference, then nothing in claim 47, requires such reading. "Comprising' includes "not pay(ing) the increased fee" being done as a positive step of charging the lower price, just as is done in Logan ".

Further, Logan discloses altering or deleting the extent of advertising from a compilation of downloaded files which include content and ads , see at least col. 7 lines 1-22, lines 45-47, to lower the fees).

Thus Logan reads on:
providing content and advertising, over a data network, from a
content provider to a user, with a first option to delete the advertising

and a second option to keep the content with advertising;

allowing the user to select the first option and pay an increased fee for the content or the second option and not pay the increased fee.

As to claim 62, Logan further discloses an option comprising a choice to the viewer/user of selecting the content together with an advertisement embedded (added, inserted) therein for reduced fees (col 27 l. 3-6, Fig. 5 and associated text; col 9 l. 50 – col 10 l. 6).

Claim Rejections - 35 USC § 103

7. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

8. Claims 28-32, 35-38, 40-46, 59-61 are rejected under 35 U.S.C. 103(a) as being unpatentable over Logan US 5,721,827 A.

As to claims 28, 40-41, 45,

An offer to provide content with an option of viewing with ads or no ads occurs at Logan during the user initialization stage. The Logan form for the user to fill constitutes an offer to provide such content (which is different from advertising) with or without ads to defray the costs of the content. In response, the user indicates the content desired as well as the amount of advertising desired , including no ads at all (i.e. "the first option" as claimed)(see at least col. 8 line 42 to col. 9 line 11).

Following such indication by the user, the content provider provides the content with or without ads as indicated by the user (i.e. "the content is not provided until the user makes the election" regarding the ads).

In Logan, the content offered include at least 2 programs. The content delivered is based on the user's viewing habit or preferences (see at least col 7 l. 45-65, col 9 l. 22-60).

Also, implicitly, if the Logan user chooses no ads at all (i.e. "the first option") at the initiation step, then no ads are sent with the content and he/she pays the full price of the content. On the other hand if he/she elects to view ads, at the initiation stage, then the content is sent with the ads after the user's election of the option of ads or no ads, as claimed.

(Logan discloses an option of editing the mix of content and ads sent during playback. However this also implies the option of not editing by the user, in which case the user receives the content with or without ads exactly as sent by the provider after the user chose in the initiation or offer phase, as claimed.)

Further, the Logan process, when the user chooses only one program, can be repeated, if the user so desires (as when the user has not used the system for a while and needs to repeat the process), re-starting at the offer form filling-out step, which in effect becomes "prompting the user proximate to the beginning of each program, on a program-by-program basis, to choose whether or not the user wishes to view advertising with that program". Here the "prompting for ads or no ads at the beginning of each program, on a program-by program basis" read on Logan, because the operation of the Logan system is not modified thereby in the scenario as above-explained.

All other limitations in these claims have been discussed in previous Office Actions to which Applicants are referred to for further details.

Further the Logan user selects (matches) the ads in sufficient quantity to offset the costs as he/she wishes (col 9 l. 50 – col 10 l. 6).

Logan specifically does not disclose an option whereby the content is 100% subsidized (" an option... for which the choice compensation is not paid to the content provider). However

at col . 9 l. 66- col 10 l. 6, Logan discloses an user indicating a net charge at the desired level, based on which the amount of advertising is adjusted. It is well-known some consumers desire free service or 100% subsidies. Therefore it would have been obvious to one skilled in the art at the time of the invention to add to Logan's teaching of an user indicating a net charge at the desired level, based on which the amount of advertising is adjusted, an net charge of zero, to achieve 100% subsidy, to satisfy such desire of certain consumers.

As to claims 29 and 31,

Logan discloses: wherein the data network comprises a content display device including a computer (see at least Fig 1 item 118 and associated text).

Claim 30.

Logan discloses: wherein the data network comprises a content module (see at least Fig 4 items 315 "content providers" table , 303 "programs" table, and associated text).

As to claim 32 Logan discloses the user can elect advertising other than advertising that interrupts the program (see at least abstract: Logan ads are at end or beginning of program so does not interrupt the program).

Claim 33 (cancelled).

Claim 35.

Logan discloses: wherein the viewer/user transmits the choice over the data network to the content provider (abstract, col. 8 line 42 to col. 9 line 11; 4th sentence from last; col 4 l. 2-8; col 26 l. 53-59).

Claim 36.

Logan discloses: wherein the choice compensation is a fee assessed on the basis of the choice content payable to the content provider by the viewer/user (abstract : "subscriber fee"; col 26 l. 53-col 27 l. 8;col 17, col 27 l. 2-30) .

Claim 37, and 59-61:

Logan discloses an option comprising a choice to the viewer/user of selecting the content together with an advertisement embedded (added, inserted) therein for reduced fees (col 27 l. 3-6, Fig. 5 and associated text; col 9 l. 50 – col 10 l. 6).

Claim 38

Logan discloses: wherein the option is offered to a viewer/user comprising an individual viewer/user (abstract: "subscriber").

As to claims 42 and 43, Logan discloses audio and visual content.

As to claim 44, Logan does not specifically disclose radio content however it would have been obvious to one skilled in the art at the time the invention was made to add radio content to the Logan system as Internet radio becomes more advanced.

As to claim 46, the limitations common to the previous claims are rejected as above-discussed. Further, Logan discloses: wherein the choice compensation is based on the ratings (interpreted as the quality) of the content being supplied (col 26 l. 53-col 27 l. 8).

9. Claims 34, 39 and 50-58 are rejected under 35 U.S.C. 103(a) as being unpatentable over Logan in view of Garg et al., US 6571216 B1.

As to claims 34, 39, 51-54,

Logan does not specifically disclose the choice compensation is based on the viewing habit or demography of the viewer/user.

Official Notice was taken that it is well-known some consumers are provided goods or services at more advantageous costs than other consumers because their demographics make

them more desirable customers. And it was stated that "thus it would have been obvious to one skilled in the art at the time the invention was made to provide the choice compensation is based on the demography or viewing habits of the viewer/user to attract better customers".

Garg is herein provided as support for the above-taken Official Notice.

Garg discloses a methodology and system allowing a plurality of reward scheme owners to give differential rewards (abstract, col.2 line 15 to col. 3. line 40), to various users based on user profiles/demographics. It would have been obvious to one skilled in the art at the time the invention was made to add the rewards setting mechanism as taught by Garg to the Logan system to allow giving differential and highly relevant products/services rewards in the context of differential ads/program content based on profiles as taught by Logan.

As to claims 50, 55-58,

As to the compensation being based on the demographics of the particular user, see claim 34.

Further, the phrase "wherein the choice compensation is based on the supply and demand of the content per user (emphasis added) ..." is interpreted as "the compensation (price or fee) is based on the supply and demand of the content by the users "

As to the price of the content being based on the supply or demand of such content by consumers, Official Notice is taken that it is well-known that the price of any product or service is based on the supply or demand of such by consumers. For example the price of a product may be initially higher when there is less demand until there is enough demand to sustain the costs of production and thereafter the price decreases as the demand rises while the cost of production per unit remains constant or decreasing. Thus it would have been obvious to one skilled in the art at the time the invention was made to add to Logan/Garg the additional feature that the price of the content is based on the supply or demand of such content by consumers because it is a well-established economic principle which is at play in any economic situation.

Conclusion

10. Prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

11. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Khanh H. Le whose telephone number is 703-305-0571. The Examiner works a part-time schedule and can best be reached on Tuesday-Wednesday 9:00-6:00. The examiner can also be reached at the e-mail address: khanh.le2@uspto.gov. (However, Applicants are cautioned that confidentiality of email communications cannot be assured.)

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Eric Stamber can be reached on 703-305-8469. (After our Art Unit moves to the Alexandria campus, sometime during or after April 2005, the Examiner's phone number will be 571-272-6721 and Mr. Eric Stamber's will be 571-272-6724. The current numbers are still in service until the move). The fax phone numbers for the organization where this application or proceeding is assigned are 703-872-9326 for regular communications and 703-872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

November 28, 2005

KHL

JAMES W. MYHRE
PRIMARY EXAMINER